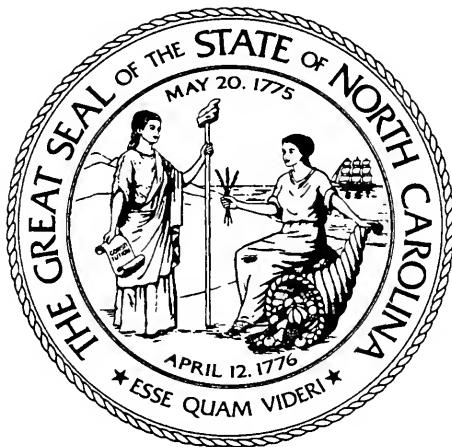


**JOINT LEGISLATIVE COMMISSION
ON MUNICIPAL INCORPORATIONS**



**REPORT TO THE
GENERAL ASSEMBLY
OF NORTH CAROLINA
Town of Holiday Island**

March 25, 1999

REPORT TO THE GENERAL ASSEMBLY
PROPOSED INCORPORATION OF THE
TOWN OF HOLIDAY ISLAND
MARCH 25, 1999

The Joint Legislative Commission on Municipal Incorporations was created in 1986 by the General Assembly to conduct an independent review and evaluation of proposed municipal incorporations. This evaluation, to be conducted in accordance with a statutory set of objective criteria, is designed to allow the General Assembly to see the feasibility of the proposed new municipality. The Commission consists of four members of the General Assembly, one city official, and one county official. A list of members appears as Appendix A.

The criteria includes specifics as to community support, (a petition is required) population, land development, nearness to other urban areas, and ability to provide municipal services at a reasonable tax rate. A copy of the statutes authorizing the Commission and setting up the review standards is attached as Appendix B.

During the current review cycle, the Commission on October 26, 1998 received a petition proposing the incorporation of the Town of Holiday Island in Perquimans County. A copy of the petition is attached as Appendix C.

Upon receiving the petition, the Commission asked the Division of Community Assistance of the Department of Commerce to evaluate the proposal under G.S. 120-161. The Division made the evaluation (a copy of which is attached as Appendix D), and based on that evaluation, the Commission on January 28, 1999 found that the preliminary requirements of G.S. 120-163 and G.S. 120-164 had been met, except the proposed Town didn't provide evidence of notification to Perquimans County of the intention to incorporate, legal notice to the community, and population density.

The Commission asked the Division of Community Assistance of the Department of Commerce to evaluate the proposal under G.S. 120-167 through G.S. 120-170 upon receipt of the missing information. After receiving the information, the Division made the evaluation (a copy of which is attached as Appendix E), and found that the statutory requirements have been met if the Commission determines that the tax rate of \$.63/\$100 assessment is reasonable.

On March 19, 1999, the Commission held a public hearing on the incorporation of Holiday Island in Hertford, North Carolina. Twelve persons spoke in favor of incorporation and eighteen spoke in opposition.

The Commission finds that the tax rate of \$.63/\$100 assessment is reasonable. The Commission further finds that the proposed Town of Holiday Island meets the standards required by Article 20 of Chapter 160A of the General Statutes and recommends incorporation of the area as the Town of Holiday Island.

APPENDIX B

ARTICLE 20.

Joint Legislative Commission on Municipal Incorporations. Part 1. Organization.

§ 120-158. Creation of Commission.

(a) There is created the Joint Legislative Commission on Municipal Incorporations, referred to in this Article as "Commission".

(b) The Commission shall consist of six members, appointed as follows:

- (1) Two Senators appointed by the President Pro Tempore of the Senate;
- (2) Two House members appointed by the Speaker;
- (3) One city manager or elected city official, appointed by the President Pro Tempore of the Senate from a list of three eligible persons nominated by the North Carolina League of Municipalities; and
- (4) One county commissioner or county manager, appointed by the Speaker from a list of three eligible persons nominated by the North Carolina Association of County Commissioners.

§120-159. Terms.

Members shall be appointed for terms ending June 30, 1987, and subsequently for two-year terms beginning July 1, 1987, and biennially thereafter. A member eligible when appointed may continue for the remainder of the term regardless of the member's continued eligibility for the category. The Commission shall elect a chairman from its membership for a one-year term.

§120-160. Compensation.

Members of the Commission who are members of the General Assembly shall receive subsistence and travel allowances as provided by G.S. 120-3.1. Members who are State officers or employees shall receive subsistence and travel allowances as provided by G.S. 138-6. All other members shall receive per diem, subsistence, and travel allowances as provided by G.S. 138-5.

§ 120-161. Facilities and staff.

The Commission may meet in the Legislative Building or the Legislative Office Building. Staff for the Commission shall be

provided by the Legislative Services Commission. The Commission may contract with the Institute of Government, the Local Government Commission, the Department of Environment and Natural Resources, or other agencies as may be necessary in completing any required studies, within the funds appropriated to the Commission.

§120-162. Reserved for future codification purposes.

PART 2. Procedure for Incorporation Review.

§120-163. Petition.

(a) The process of seeking the recommendation of the Commission is commenced by filing with the Commission a petition signed by fifteen percent (15%) of the registered voters of the area proposed to be incorporated, but by not less than 25 registered voters of that area, asking for incorporation.

(b) The petition must be verified by the county board of elections of the county where the voter is alleged to be registered. The board of elections shall cause to be examined the signature, shall place a check mark beside the name of each signer who is qualified and registered to vote in that county in the area proposed to be incorporated, and shall attach to the petition a certificate stating the number of voters registered in that county in the area proposed to be incorporated, and the total number of registered voters who have been verified. The county board of elections shall return the petition to the person who presented it within 15 working days of receipt.

(c) The petition must include a proposed name for the city, a map of the city, a list of proposed services to be provided by the proposed municipality, the names of three persons to serve as interim governing board, a proposed charter, a statement of the estimated population, assessed valuation, degree of development, population density, and recommendations as to the form of government and manner of election. The proposed municipality may not contain any noncontiguous areas.

(d) The petitioners must present to the Commission the verified petition from the county board of elections.

(e) A petition must be submitted to the Commission at least 60 days prior to convening of the next regular session of the General Assembly in order for the Commission to make a recommendation to that session.

§120-164. Notification.

(a) Not later than five days before submitting the petition to the Commission, the petitioners shall notify:

- (1) The board or boards of county commissioners of the county or counties where the proposed municipality is located;
- (2) All cities within that county or counties; and
- (3) All cities in any other county that are within five miles of the proposed municipality of the intent to present the petition to the Commission.

(b) The petitioners shall also publish, one per week for two consecutive weeks, with the second publication no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission.

\$120-165. Initial inquiry.

(a) The Commission shall, upon receipt of the petition, determine if the requirements of G.S. 120-163 and G.S. 120-164 have been met. If it determines that those requirements have not been met, it shall return the petition to the petitioners. The Commission shall also publish in the North Carolina Register notice that it has received the petition.

(b) If it determines that those requirements have been met, it shall conduct further inquiry as provided by this Part.

***** § 120-166. Additional criteria; nearness to another municipality.**

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census.

(b) Subsection (a) of this section does not apply in the case of proximity to a specific municipality if:

- (1) The proposed municipality is entirely on an island that the nearby city is not on;
- (2) The proposed municipality is separated by a major river or other natural barrier from the nearby city, such that provision of municipal services by

the nearby city to the proposed municipality is infeasible or the cost is prohibitive, and the Commission shall adopt policies to implement this subdivision;

- (3) The municipalities within the distances described in subsection (a) of this section by resolution express their approval of the incorporation; or
- (4) An area of at least fifty percent (50%) of the proposed municipality has petitioned for annexation to the nearby city under G.S. 160A-31 within the previous 12 months before the incorporation petition is submitted to the Commission but the annexation petition was not approved.

*** The 1998 amendment, effective November 1, 1998, rewrote subdivision (b)(3), which formerly read "The nearby municipality by resolution expresses its approval of the incorporation; or". The amendment is applicable to annexations for which the resolution of intent is adopted on or after November 1, 1998, and shall not apply to any incorporation proposal originally presented to the Joint Legislative Commission on Municipal Incorporations prior to that effective date.

§120-167. Additional criteria; population.

The Commission may not make a positive recommendation unless the proposed municipality has a permanent population of at least 100.

§120-168. Additional criteria; development.

Except when the entire proposed municipality is within two miles of the Atlantic Ocean, Albemarle Sound, or Pamlico Sound, the Commission may not make a positive recommendation unless forty percent (40%) of the area is developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenants.

§120-169. Additional criteria; area unincorporated.

The Commission may not make a positive recommendation if any of the proposed municipality is included within the boundary of another incorporated municipality, as defined by G.S. 153A-1(1).

*** § 120-169.1. Additional criteria; level of development, services.

(a) Level of Development. -- The Commission may not make a positive recommendation unless the entire area proposed for incorporation meets the applicable criteria for development under G.S. 160A-36(c) or G.S. 160A-48(c).

(b) Services. -- The Commission may not make a positive recommendation unless the area to be incorporated submits a plan for providing a reasonable level of municipal services. To meet the requirements of this subsection, the persons submitting the plan for incorporation must propose to provide at least two of the following services:

- (1) Police protection.
- (2) Fire protection.
- (3) Garbage and refuse collection or disposal.
- (4) Water distribution.
- (5) Sewer collection or disposal.
- (6) Street maintenance, construction, or right-of-way acquisition.
- (7) Street lighting.
- (8) Adoption of citywide planning and zoning.

*** This section becomes effective November 1, 1998, is applicable to annexations for which the resolution of intent is adopted on or after that date, and shall not apply to any incorporation proposal originally presented to the Joint Legislative Commission on Municipal Incorporations prior to that date.

\$120-170. Findings as to services.

The Commission may not make a positive recommendation unless it finds that the proposed municipality can provide at a reasonable tax rate the services requested by the petition, and finds that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. In making findings under this section, the Commission shall take into account municipal services already being provided.

\$120-171. Procedures if findings made.

(a) If the Commission finds that it may not make a positive recommendation because of the provisions of G.S. 120-166 through G.S. 120-170, it shall make a negative recommendation to the General Assembly. The report to the General Assembly shall list the grounds on which a negative recommendation is made, along

with specific findings. If a negative recommendation is made, the Commission shall notify the petitioners of the need for a legally sufficient description of the proposed municipality if the proposal is to be considered by the General Assembly. At the request of a majority of the members of the interim board named in the petition, the Commission may conduct a public hearing and forward any comments or findings made as a result of that hearing along with the negative recommendation.

(b) If the Commission determines that it will not be barred from making a positive recommendation by G.S. 120-166 through G.S. 120-170, it shall require that petitioners have a legally sufficient description of the proposed municipality prepared at their expense as a condition of a positive recommendation.

(c) If the Commission determines that it is not barred from making a positive recommendation, it shall make a positive recommendation to the General Assembly for incorporation.

(d) The report of the Commission on a petition shall be in a form determined by the Commission to be useful to the General Assembly.

\$120-172. Referendum.

Based on information received at the public hearing, the Commission may recommend that any incorporation act passed by the General Assembly shall be submitted to a referendum, except if the petition contained the signatures of fifty percent (50%) of registered voters the Commission shall not recommend a referendum.

\$120-173. Modification of petition.

With the agreement of the majority of the persons designated by the petition as an interim governing board, the Commission may submit to the General Assembly recommendations based on deletion of areas from the petition, as long as there are no noncontiguous areas.

\$120-174. Deadline for recommendations.

If the petition is timely received under G.S. 120-163(e), the Commission shall make its recommendation to the General Assembly no later than 60 days after convening of the next regular session after submission of the petition.

\$120-175 through 120-179: Reserved for future codification purposes.

154 Flyway Drive
Hertford, North Carolina 27944

Holiday Island Incorporation Task Force

October 26, 1998

Honorable W T. Culpepper, III
Post Office Box 344
Edenton, North Carolina

Dear Representative Culpepper,

We have completed our research on incorporation and have concluded that incorporation of our community is a viable solution to our problems. We are enclosing a map of the proposed area of incorporation, a copy of our charter, and a budget of anticipated revenues and expenses for our first year of operation.

We have also enclosed a petition with over seventy signatures of registered voters in our community. We have checked the voting roles, which indicate we have three hundred eighty four registered voters. However, further research indicates that at least ten have moved away or deceased.

We thank you in advance for agreeing to present our petition to the General Assembly in January 1999.

Sincerely,

Kenneth L. Fries

Kenneth Ries, Chairman,
Incorporation Task Force

cc: Senator Mark Basnight

GENERAL ASSEMBLY OF NORTH CAROLINA

1999 SESSION

S.L. 1999-_____

JOINT BILL _____

Short Title: Holiday Island Incorporated. (Local)

A BILL TO BE ENTITLED

AN ACT TO INCORPORATE THE TOWN OF HOLIDAY ISLAND.

The General Assembly of North Carolina enacts:

Section 1. A Charter of the Town of Holiday Island is enacted as follows:

“THE CHARTER OF THE TOWN OF HOLIDAY ISLAND.

“CHAPTER I.

“INCORPORATION AND CORPORATE POWERS.

“Section 1-1. Incorporation and Corporate Powers, . The inhabitants of the Town of Holiday Island are a body corporate and politic under the name ‘Town of Holiday Island’. In order to promote or protect the safety, health, peace, security, good order, comfort, convenience, and general welfare of the Town and of its citizens, the Town of Holiday Island shall have all the powers, duties, rights, privileges, and immunities conferred and imposed on cities by the general law of North Carolina.

“CHAPTER II.

“CORPORATE BOUNDARIES.

“Section 2-1. Town Boundaries. Until modified in accordance with the law, the boundaries of the Town of Holiday Island shall include:

“All real property situated and being in Sections A, B, C, D, E, F, G, J, K, L, M, N and O of the Holiday Island Subdivision, Bethel Township, Perquimans County, North Carolina as recorded in the Office of the Register of Deeds, Perquimans County in Plat Book 4, Pages 221, 229, 251, 223, 237, 239, 231, 261, 263, 265, 283, 285, and 303, respectively.

“CHAPTER III.

“GOVERNING BODY.

“Section 3-1. Structure of Governing Body; Number of Members. The governing body of the Town of Holiday Island is the Town Council and the Mayor. The Town Council has five members.

“Section 3-2. Manner of Electing Members of Council. The qualified voters of the entire Town elect the Members of Council.

“Section 3-3. Term of Office of Members of Council.

“(a) In 1999 five members of the Town Council are elected. The person receiving the highest number of votes is elected to a three-year term; the two persons receiving the next highest numbers of votes are elected to two-year terms; and the two persons receiving the next highest numbers of votes are elected to one-year terms.

“(b) In 2000 and each year thereafter, two members of council are elected. The person receiving the highest number of votes is elected to a three-year term, and the person receiving the next highest number of votes is elected to a two-year term. Other person(s) shall be elected to fill vacancies (if any) in order of the number of votes each person received as provided in G.S. 160A-63.

“Section 3-4. Selection of Mayor; Term of Office. The Mayor shall be elected by the Council from among its membership to serve for a term of one year. The Mayor shall be the official head of the Town government and shall preside at meetings of the Council. In determining a quorum, a majority vote of the Council or in being excused from voting, the Mayor is treated as a member of the Council.

“Section 3-5. Meetings. In accordance with general law, the Town Council shall establish a suitable time and place for its regular meetings which shall be not less frequently than monthly. Special and emergency meetings may be held as provided by general law. Except as provided by law, G.S. 143-318, all meetings of the Town Council shall be open to the public.

“Section 3.6. Quorum; Voting Requirements. Official actions of the Council and all votes shall be taken in accordance with applicable provisions of general law, particularly G.S. 160A-75. The quorum provisions of G.S. 160A-74 shall apply.

“Section 3.7. Pay for Members of Council. The Town Mayor and members of Council shall receive no pay for their services. They are entitled to be reimbursed for reasonable and necessary expenses as provided in G.S. 160A-64.

“Section 3.8. Residence of Members of Council. All elected members of Council must be registered voters who reside within the corporate limits of the Town of Holiday Island in order to qualify to take, hold, and continue in any such office.

“Section 3.9. Vacancies. Vacancies shall be filled within 45 days by a vote of the remaining members of Council as provided in G.S. 160A-63.

“CHAPTER IV.

“ELECTIONS.

“Section 4-1. Method. Council members shall be elected on a nonpartisan primary basis as provided in G.S. 163-294, and the results determined by the plurality method as provided in G.S. 163-292.

“Section 4-2. Results. Election results shall be determined by the Perquimans County Board of Elections according to Chapter 163 of the General Statutes.

“Section 4-3. Special Elections and Referenda. Special elections and referenda may be held only as provided by general law or applicable local acts of the General Assembly.

“CHAPTER V.

“ADMINISTRATION.

“Section 5-1. Mayor-Council Plan. The Town of Holiday Island shall operate under the Mayor-Council Plan as provided in Part 3, Article 7, Chapter 160A of the General Statutes.

“Section 5-2. Taxation and Funds.

“(a) The Town of Holiday Island is eligible to receive distributions of State funds during the fiscal year 1999-2000.

“(b) Notwithstanding G.S. 160A-209(d), except with the approval of the qualified voters of the Town in a referendum under G.S. 160A-209, the Town may not levy ad valorem taxes in excess of thirty cents (\$0.30) on the one hundred dollar (\$100.00) valuation. This subsection does not limit taxation to pay the debt service on general obligation indebtedness incurred by the Town in accordance with law.

“CHAPTER VI.

“OTHER PROVISIONS.

“Section 6.1. Waterways. In order to preserve and maintain the resource of the waterways for the benefit of the citizens of the Town, the Town may adopt, by ordinance such standards for the maintenance and operation of the waterways within its jurisdiction, or adjacent to the Town boundaries, or within its extra territorial jurisdiction, including that portion of Albemarle Sound adjacent to the Town. The power to adopt ordinances shall include, but not be limited to, the regulation and control of swimming, of all types of water craft, of littering, and of

the use and operation of waterways within or adjacent to its boundaries or within the Town's jurisdiction or extra terrestrial jurisdiction. Nothing contained herein shall be construed to permit the Town to prohibit altogether swimming or operation of water craft or to make these activities unlawful.

"Section 6.2. Severability. If any provision of this Charter is declared invalid by a court of competent jurisdiction, such judgment shall not invalidate the remainder of the Charter. If a court of competent jurisdiction finds that any provision of this charter is invalid, but that by limiting such provision, it would become valid, then such provision shall be deemed to be written and construed as so limited. If the application of the Charter or any of its provisions to any person or circumstance is held invalid, the application of the Charter and its provisions to other persons and circumstances shall not be affected thereby."

Section 2. (a) From and after the effective date of this act, the citizens and property in the Town of Holiday Island shall be subject to municipal taxes levied for the year beginning July 1, 1999; and for that purpose the Town shall obtain from Perquimans County a record of property in the area herein incorporated which was listed for taxes as of January 1, 1999. For fiscal year 1999-2000, ad valorem taxes may be paid at par or face amount within 90 days of adoption of the budget ordinance, and thereafter in accordance with the schedule in G.S. 105-360 as if the taxes had been due and payable on September 1, 1999.

(b) The Town may adopt a budget ordinance for fiscal year 1999-2000 without following the timetable in the Local Government Budget and Fiscal Control Act.

(c) Notwithstanding G.S. 163-294.2(c), the Perquimans County Board of Elections shall establish a special candidate filing period for the 1999 municipal election for the Town of Holiday Island which shall allow at least 10 business days for filing.

Section 3. (a) The Perquimans County Board of Elections shall conduct an election on the date of the general election next after enactment for the purpose of submission to the qualified voters of the area described in Section 2-1 of the Charter of the Town of Holiday Island, the question of whether or not such area shall be incorporated as the Town of Holiday Island. Registration for the election shall be conducted in accordance with G.S. 163-288.2.

(b) In the election, the question on the ballot shall be:

"[] FOR [] AGAINST

Incorporation of the Town of Holiday Island".

(c) If the majority of votes cast be for Incorporation, then the Council members elected at the same election shall constitute the initial Town Council, otherwise this subsection shall

have no force or effect.

Section 4. In the election, if a majority of the votes are cast "for incorporation of the Town of Holiday Island", Section 1 and 2 of this act become effective on the date of the certification of the results of the election. Otherwise, Sections 1 and 2 of this act have no force and effect.

Section 5. This act is effective when it becomes law.

ALTERNATE PROVISIONS

If the provisions of Section 3-3 above are not acceptable to the General Assembly, then substitute the following for Section 3-3 and 3-4:

"Section 3.3. Term of Office of Members of Council. In 1999 and biannually thereafter, five members of the Town Council shall be elected to two-year terms of office.

"Section 3-4. Selection of Mayor; Term of Office. The Mayor shall be elected by the Council from among its membership to serve for a term of two years. The Mayor shall be the official head of the Town government and shall preside at meetings of the Council. In determining a quorum, a majority vote of the Council or in being excused from voting, the Mayor is treated as a member of the Council. .

Tentative Budget for Town of Holiday Island (Tax Base \$22,000,000)

INCOME

| | | |
|-----------------------------|------------------------------|------------------|
| *Property Taxes | (Ten cents per \$100.00) | *** \$ 22,000.00 |
| Garbage Collection | \$3.00 P/M for 200 residents | *** \$ 6,000.00 |
| **State Reimbursements | | \$ 63,700.00 |
| Powell Bill Funds for Roads | | \$ 16,300.00 |

*This amounts to a tax of \$50.00 per year
on property assessed at \$50,000.00

** This is an estimate based on Winfall's share of
state and county tax reimbursements to incorporated towns.

*** These funds will be collected by Perquimans County

TOTAL \$ 108,000.00

EXPENDITURES

Administration

| | |
|------------------------------------|--------------|
| Board | \$ 1,000.00 |
| Town Clerk (Part time @\$8.00 P/H) | \$ 8,320.00 |
| Health Insurance | \$ 1,350.00 |
| FICA, etc, | \$ 1,664.00 |
| Prof Fees Lawyer, Acct. | \$ 10,000.00 |
| Audits (As required by Law) | \$ 2,500.00 |
| Insurance Bonding | \$ 2,375.00 |

County Services

| | |
|----------------------------------------------------------|-------------|
| Bldgng Inspector payable to Perquimans County | \$ 1,500.00 |
| Tax collection costs payable to Perquimans County (1.5%) | \$ 420.00 |

| | |
|------------------------------------------------------------------|-------------|
| Office Equipment for startup (Computer, safe, copier, FAX, etc.) | \$ 5,000.00 |
| Office Supplies | \$ 2,500.00 |
| Office Rent | \$ 12.00 |
| Utilities | \$ 2,000.00 |

Town Maintenance

| | |
|----------------------------------------------|----------------------|
| Maintenance Employee (Part time @\$8.00 P/H) | \$ 8,320.00 |
| Street Repair (Powell Bill Funds) | \$ 16,300.00 |
| Roads | \$ 15,000.00 |
| Drainage Maintenance | \$ 3,500.00 |
| Canal Maintenance | \$ 3,500.00 |
| Garbage Collection | \$ 13,200.00 |
| Maintenance Supplies. | \$ 2,500.00 |
| Unallocated Reserves | \$ 4,662.00 |
| Equipment Repair and Support Services | \$ 2,377.00 |
| TOTAL | \$ 108,000.00 |

TOTAL INCOME \$ 108,000.00

TOTAL EXPENDITURES \$ 108,000.00

XO 5-9

To: The North Carolina General Assembly

Petition to Incorporate the Area of Perquimans County known as Holiday Island Residential Section

We, the undersigned, respectfully request that The General Assembly consider this plea to incorporate our community. We do solemnly affirm that we are permanent residents of Holiday Island located in Perquimans County, North Carolina, and registered voters in Bethel Township.

| Signature | Print Name | Address | Phone Number |
|---------------------|----------------------|----------------------|--------------|
| Dorothy Berry | DOROTHY BERRY | 95 Moonlight DR. | 426-4580 |
| Stephen Allen | Stephen Allen | Box 5 Rainbowl | 426-4947 |
| Carol Allen | Carol Allen | Box 5 Rainbowl Dr. | 426-4947 |
| Fredricka Merritt | FREDRICKA MERRITT | 87 M MOONLIGHT DR | 426-5860 |
| Thomas Schoolfield | Thomas Schoolfield | 96 Flyway Dr | 426-8232 |
| Shirley Schoolfield | Shirley Schoolfield | " " | " " |
| Walter Miller | WALTER MILLER | 14 Rainbowl Dr. | 426-4797 |
| Elmer M. Miller | ELMER M. MILLER | 14 Rainbowl Dr. | 426-4797 |
| Ruben Miles | RUBEN MILES | 96 Rainbowl Dr. | 426-5394 |
| Vivian Perry | VIVIAN PERRY | 70 TRAQUILLY | 426-1055 |
| James J. Ricks | JAMES J. RICKS | 49 Pirate Cove | 426-5452 |
| Matthew Ricks | MATTHEW RICKS | 49 Pirate Cove | 426-5452 |
| Tom Peterson | TONY PETERSON | 48 LOST INLET TRAIL | 426-9577 |
| Ruth Peterson | RUTH PETERSON | " " | 426-9577 |
| Elizabeth Hall | ELISABETH HALL | 10 LOST INLET RD | 426-9181 |
| John Hansen | JOHN HANSEN | 31 Southwind Lane | 426-5180 |
| George Hansen | GEORGE HANSEN | 31 Southwind Ln | 426-5180 |
| John C. Hall | JOHN C. HALL | 10 Driftwood Rd | 426-9181 |
| Elmer Benson | ELMER BENSON | 9F Holiday Lane | 426-9601 |
| Frances Benson | FRANCES BENSON | 9F Holiday Ln. | 426-9601 |
| Henry R. LaFontaine | HENRY R. LA FONTAINE | 115 S. BIRCHWOOD RD. | 426-1049 |
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To: The North Carolina General Assembly

Petition to Incorporate the Area of Perquimans County known as Holiday Island Residential Section

We, the undersigned, respectfully request that The General Assembly consider this plea to incorporate our community. We do solemnly affirm that we are permanent residents of Holiday Island located in Perquimans County, North Carolina, and registered voters in Bethel Township,

To: The North Carolina General Assembly

Petition to Incorporate the Area of Perquimans County known as Holiday Island Residential Section

We, the undersigned respectfully request that The General Assembly consider this plea to incorporate our community. We do solemnly affirm that we are permanent residents of Holiday Island located in Perquimans County, North Carolina, and registered voters in Bethel Township.

| Signature | Print Name | Address | Phone Number |
|--------------------|--------------------|-------------------|--------------|
| Ena E Lynn | ENA E LYNN | 9 West Island Ind | 426-5616 |
| Ellen V. Rinehart | ELLEN RINEHART | 5 Hunt Club Trace | 426-8259 |
| John Lynn | GRAYSON LYNN | 9 WEST ISLAND TR | 426-5616 |
| Donald Maxwell | D. SCOT MAXWELL | 44 D Clipping Dr. | 426-1232 |
| Delores Berry | DELORES D. BERRY | 95 Moonlight Dr | 426 9580 |
| John Carson | JOHN H CARSON | 47 Clipping Dr | 426-5140 |
| Rebecca F. Carson | Rebecca F. Carson | 47 Clipping Dr | 426-5140 |
| Shirley Ries | Shirley Ries | 154 Flyway Dr | 426-5220 |
| Helen Matthews | Helen Matthews | 146 Holiday Lane | 426-7604 |
| Frank Ries | FRANK C. MARTIN | 32 SAILING CT | 426-7089 |
| Kenneth L. Ries | Kenneth L. Ries | 154 Flyway Dr | 426 5220 |
| Howard P. Rinehart | Howard P. Rinehart | 105 Hunt Club | 426-8259 |
| Betty Geitznauer | Betty Geitznauer | 63 Sunset Cir | 426-1696 |
| Paul Geitznauer | Paul Geitznauer | 63 Sunset Cir | 426-1696 |
| John Hodson | John Hodson | 39 Sunset Cir | 426-7174 |
| Carolyn Hess | JOANNE CODDINGTON | 39 SUNSET CIR | 426-7174 |
| Robert A. Hess | ROBERT A. HESS | 68 SUNSET CIR | 426-9563 |
| Carolyn Hess | CAROLYN HESS | 68 Sunset Cir | 426-9573 |
| Frederick K. Koon | FREDERICK K. KOON | 317A HUNTER CITY | 426-3644 |
| Helen Riesman | Helen M. Riesman | 472 Holiday Lane | 426-5204 |
| Norman K. Riesman | NORMAN K. RIESMAN | " " | " " |
| | | | |
| | | | |
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| | | | |

To: The North Carolina General Assembly

Petition to Incorporate the Area of Perquimans County known as Holiday Island Residential Section

We, the undersigned, respectfully request that The General Assembly consider this plea to incorporate our community. We do solemnly affirm that we are permanent residents of Holiday Island located in Perquimans County, North Carolina, and registered voters in Bethel Township,

To: The North Carolina General Assembly

Petition to Incorporate the Area of Perquimans County known as Holiday Island Residential Section

We, the undersigned respectfully request that The General Assembly consider this plea to incorporate our community. We do solemnly affirm that we are permanent residents of Holiday Island located in Perquimans County, North Carolina, and registered voters in Bethel Township,

| Signature | Print Name | Address | Phone Number |
|-------------------|----------------------|------------------|--------------|
| Rebecca F. Carson | Patricia S. Phillips | 64 Sunset Circle | 426-8425 |
| Jeanne Bennett | Jeanne Bennett | 28 Railway Ct | 426-1547 |
| JS Kristen Cox | JS Kristen Cox | 64 Sunset Circle | 426-8425 |
| Alaska Phillips | Alaska Phillips | 64 Sunset Circle | 426-8425 |
| Henry & Zena | Henry & Zena | 65 Sunset Cir | 416-8757 |
| | | | |
| | | | |
| | | | |
| | | | |

North Carolina

Perquimans County

I certify that this is a list of signatures of residents of Holiday Island, including this page 5 and the attached Pages 1 - 2 - 3 and 4. Certification by the Perquimans County Board of Elections is being prepared and will follow on or about November 25, 1998.

My Commission Expires:

10-16-2001

Rebecca F. Carson
Notary Public

To: The North Carolina General Assembly

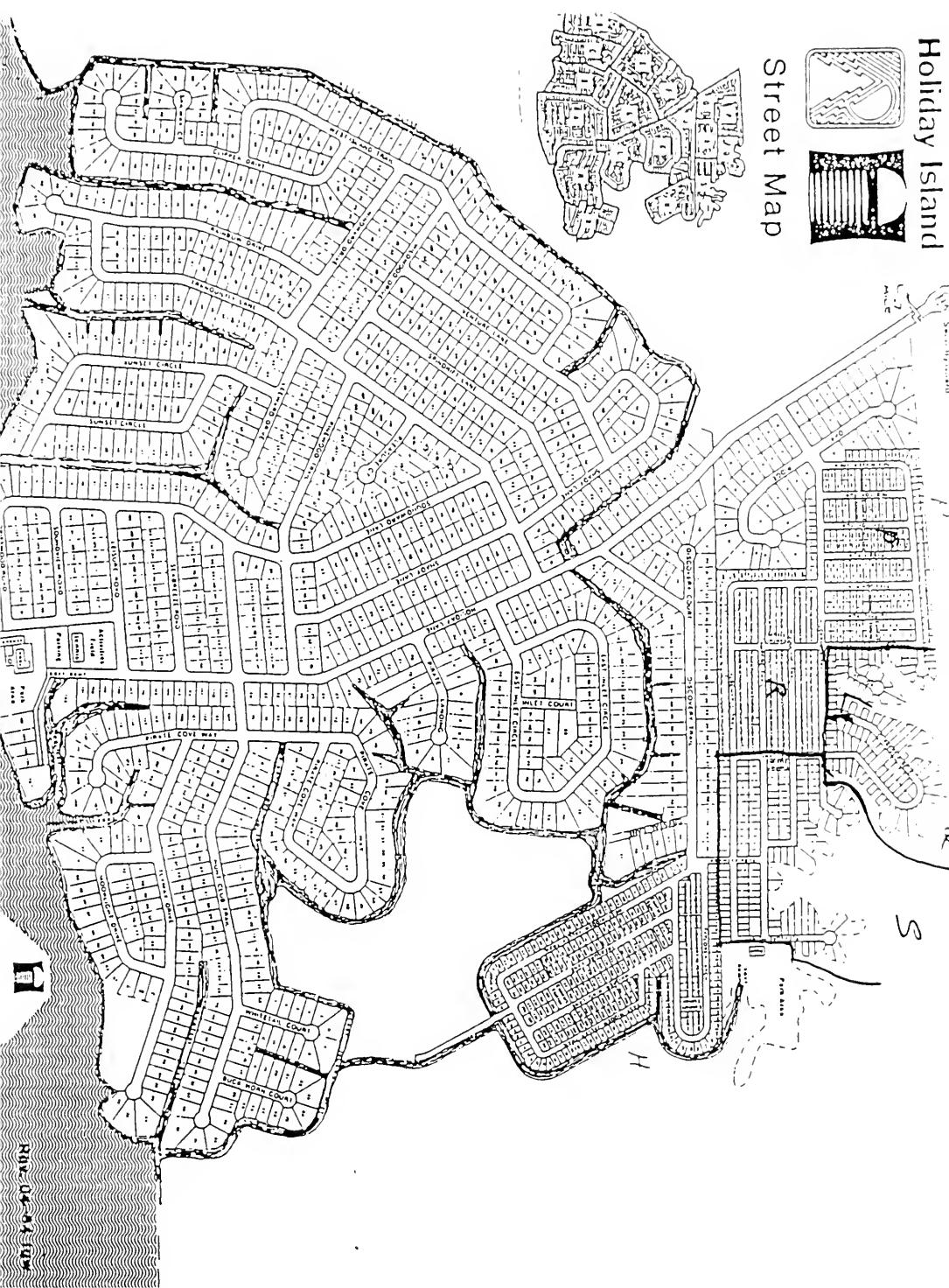
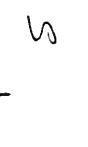
Petition to Incorporate the Area of Perquimans County known as Holiday Island Residential Section

We, the undersigned, respectfully request that The General Assembly consider this plea to incorporate our community. We do solemnly affirm that we are permanent residents of Holiday Island located in Perquimans County, North Carolina, and registered voters in Bethel Township.

Holiday Island



Street Map



PERQUIMANS COUNTY BOARD OF ELECTIONS
P.O. BOX 336
HERTFORD, N.C. 27944

DECEMBER 7, 1998

TO WHOM IT MAY CONCERN:

I have checked the names on the attached petitions and have found 65 to be registered in Perquimans County and in the Bethel precinct.

Eula Forbes, Director

Eula Forbes, Director
Perquimans County Board of Elections

PERQUIMANS COUNTY BOARD OF ELECTIONS
P.O. BOX 336
HERTFORD, N.C. 27944

JANUARY 25, 1999

To Whom it May Concern:

I have checked additional names on the attached petition submitted today January 25, 1999 and found Elizabeth Geitznauer, Vaden Cudworth and Estrue Lewis to be registered in Perquimans County in the Bethel precinct. This will add 3 to 65 already verified making a total of 68.

Eula Forbes
Eula Forbes, Director
Perquimans County Board of Elections

Perquimans County Board of Elections
P.O. Box 336
Hertford, N. C. 27944
(252) 426-5598

March 17, 1999

To Whom it May Concern:

This office does not have a separate list or knowledge of the total number of registered voters in Holiday Island. This area along with others in the vicinity are in the Bethel precinct. This precinct has a total of 1913 registered voters.

Eula Forbes, Director

Eula Forbes

Perquimans County Board of Elections

STATS1.PRG

Num

March17, 1999

Perquimans County Board of Elections
Voter Statistical Analysis

Compiling Voter Statistics -- PLEASE, Do Not Interrupt

Working on Record 7510 of 7510 Percentages:

| | | | | |
|----------------|------|-----------|------|----|
| Belvid. : | 640 | White : | 5382 | 72 |
| Bethel : | 1913 | Black : | 2105 | 28 |
| E. Hert. : | 1143 | Indian: | 2 | 0 |
| W. Hert. : | 769 | Hispanic: | 3 | 0 |
| New Hcpe : | 1524 | Other : | 10 | 0 |
| Nicancr : | 198 | Demo. : | 5134 | 68 |
| Parkville: | 1323 | Repub.: | 1401 | 19 |
| | | Unaf. : | 970 | 13 |
| | | Libert.: | 5 | 0 |
| Town-HERTFORD: | 1478 | NatLaw: | | 0 |
| Town-LINNALL: | 342 | Reform: | | 0 |
| | | Males : | 3479 | 46 |
| | | Female: | 4031 | 54 |

Press <SHIFT-PRTSC> to print this screen - Check Printer On-Line !
Press any key to return to the Main Menu

The Perquimans Weekly
P.O. Box 277
Hertford, NC 27944
Telephone (919) 426-5728

CLIPPING OF LEGAL
ADVERTISEMENT
ATTACHED HERE

NORTH CAROLINA
PERQUIMANS COUNTY

PROPOSED INCORPORATION
Of
HOLIDAY ISLAND

Sixty-eight registered voters who reside within the Holiday Island Subdivision, Perquimans County, have forwarded a petition to the North Carolina General Assembly. Petitioners seek to incorporate the residential sections of the Holiday Island Subdivision as the Town of Holiday Island. Final submission of this petition will be made to the NC General Assembly, Joint Commission on Incorporation on February 18, 1999.

INCORPORATION TASK FORCE

Kenneth L. Ries
Chairman

AFFIDAVIT OF PUBLICATION

Before the undersigned, a Notary Public of said County and State, duly commissioned, qualified, and authorized by law to administer oaths, personally appeared

SUSAN HARRIS

who, being first duly sworn, deposes and says that she is the Editor of The Perquimans Weekly, engaged in the publication of a newspaper known as The Perquimans Weekly, published, issued, and entered as second class mail in the City of Hertford, in said County and State; that she is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto, was published in The Perquimans Weekly on the following dates:

February 4, 1999

and that the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.

Susan Harris

(Signature of person making affidavit)

Sworn to and subscribed before me, this 12th

day of February, 19 99

J. Elle Snow
My Notary Public
My Commission Expires November 11, 2001

INCORPORATION TASK FORCE

HOLIDAY ISLAND
154 Flyway Drive
Hertford, North Carolina
27944

January 27, 1999

MEMO for Leslie Cline

NOTIFICATION OF INCORPORATION

As suggested by Mr. Cohen, we have taken the following steps:

1. Prepared a letter notifying the county and the two towns within the county of our intention to petition for incorporation. Enclosure (1) is a copy of that letter.
2. I have personally hand-delivered copies of this notice to:
Office of the County Manager, Perquimans County
Place of Business of the Chairman, Board of Commissioners, Perquimans County
Office of the County Attorney, Perquimans County
Office of the Manager, Town of Hertford
Town Office, Town of Winfall

In each office, I have advised the clerks of the content of the letter and the reason for my delivering it.

3. Paid for a legal notice to be published in the Perquimans Weekly. Enclosure (2) is a copy of the letter to the editor asking for the notice to be published.

My understanding is that on January 18, 1999, seven days after the second notice is published, I will send you a new copy of the petition asking the North Carolina General Assembly to enact local legislation incorporating the Town of Holiday Island.

Sorry for all the last minute flaps. I am really impressed with your willingness to work with me, and for your prompt and helpful replies.

Kenneth L. Ries
Chairman

Copy to: Gerry Cohen

INCORPORATION TASK FORCE

HOLIDAY ISLAND

154 Flyway Drive

Hertford, North Carolina

27944

January 27, 1999

Boards of Commissioners:

County of Perquimans

Town of Hertford

Town of Winfall

NOTIFICATION OF INTENT TO INCORPORATE

The purpose of this letter is to inform Perquimans County and the two cities or towns located within Perquimans County of our intent to incorporate the Town of Holiday Island.

The Incorporation Task Force of Holiday Island is a group of property owners and residents of Perquimans County who have studied the possibility of incorporation for the Holiday Island Subdivision. We have nearly completed our work and have determined that incorporation is in the best interests of the citizens of Holiday Island.

In the Spring of 1998, several members of this Task Force had conversations by phone and scheduled several informal meetings with various city and county officials. We met with the Chairman of the county Board of Commissioners, the County Manager, the Manager of the Town of Hertford and the Mayor of Winfall. Our understanding from those meetings was that the individuals involved were helpful and supportive of our efforts to incorporate, but the two cities and the county took no official action in regard to our intention.

Notices and flyers were distributed door to door within the community in an effort to inform the citizens of the plan to incorporate and to solicit their support. A open forum was held in June, 1998 with a representative from the North Carolina Institute of Government. More than 100 citizens attended to hear information about incorporation and to ask questions.

In November, 1998, the Task Force collected signatures on a petition to the North Carolina General Assembly asking the General Assembly to enact local legislation to incorporate Holiday Island. The Joint Legislative Commission on Incorporation now has the following items:

Draft charter for the Town of Holiday Island

Map showing the area of the proposed town...all residential sections of the Holiday Island Subdivision

Proposed initial budget using an anticipated tax rate of \$.30

Statement of Development showing that all the land in Holiday Island has been developed...all sections have been platted and more than 99 percent of the lots have been sold.

Estimate of the number of registered voters who reside within the area of the proposed town - 375.

Petition asking for incorporation signed by more than 15 percent of the registered voters

Population density statement that the population of the proposed town is approximately 523

Request for a voter referendum on incorporation at the November, 1999 general election.

We intend to publish formal legal notice to the community in the Perquimans Weekly and resubmit our petition to the General Assembly seven days after that notice

Thank you for your assistance with our Task Force and with its work.

Very respectfully,

Kenneth L. Ries
Chairman

Copy to: County Attorney
Joint Legislative Commission on Incorporation
Representative William Culpepper

INCORPORATION TASK FORCE

HOLIDAY ISLAND
154 Flyway Drive
Hertford, North Carolina
27944

January 27, 1999

Editor
Perquimans Weekly
Grubb Street
Hertford, NC 27944

Please publish the following legal notice in two consecutive weekly editions of the Perquimans Weekly beginning February 3, 1999

PROPOSED INCORPORATION Of HOLIDAY ISLAND

Sixty-eight registered voters who reside within the Holiday Island Subdivision, Perquimans County, have forwarded a petition to the North Carolina General Assembly. Petitioners seek to incorporate the residential sections of the Holiday Island Subdivision as the Town of Holiday Island. Final submission of this petition will be made to the NC General Assembly, Joint Commission on Incorporation on February 18, 1999.

Holiday Island Incorporation Task Force
Kenneth L. Ries, Chairman

Respectfully,

Kenneth L. Ries
Chairman

**Assessment of Petition
by
Holiday Island
for
Incorporation**

Relative to NC G.S. 120-166.

**North Carolina Department of Commerce
Division of Community Assistance**

Division of Community Assistance staff has reviewed the petition for incorporation from Holiday Island as it relates to NC G.S. 120-166. That section of the General Statute refers to the nearness of the proposed new 'Town of Holiday Island' to other municipalities. Part (a) of that section sets criteria based on the nearness of the proposed new town to existing municipalities and their respective populations. Note that the General Statute requires that the population values be in accordance with the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census. These relationships are presented in the following table.

| Critical Distance | Population of Neighboring Municipality |
|--------------------------|-----------------------------------------------|
| 1 mile | 5,000 to 9,999 |
| 3 miles | 10,000 to 24,999 |
| 4 miles | 25,000 to 49,000 |
| 5 miles | 50,000 and over |

Although the name of the proposed new town "Holiday Island" suggests that it is an island, the subject area does not appear to be an island. There are no municipalities within five (5) miles of the proposed new municipality.

The petition did not include a formal metes and bounds description, a certified map or a copy of the instruments filed with the Register of Deeds that represents the subject area. Accordingly, staff from the Division of Community Assistance performed a land use survey of the area to determine if the map that was included in the petition reasonably represented the area being considered for incorporation. That land use survey concluded that the map that was included in the petition does represent a reasonable description of the incorporation area's general pattern of development and subdivision.

Accordingly, NC G.S. 120-166. does not preclude the Commission from making a positive recommendation on the petition for incorporation relative to the proposed Town of Holiday Island.

Information sources: the foregoing assessment was based on the most recently updated DOT GIS data that was provided by NC CGIA. A buffer analysis (an ArcView GIS utility) was performed on the proposed boundary that was presented on the map attached to the petition.

Note: 1

§ 120-166. Additional criteria; nearness to another municipality.

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to

Holiday Island Area Perquimans County Municipal Incorporation Study Phase 1



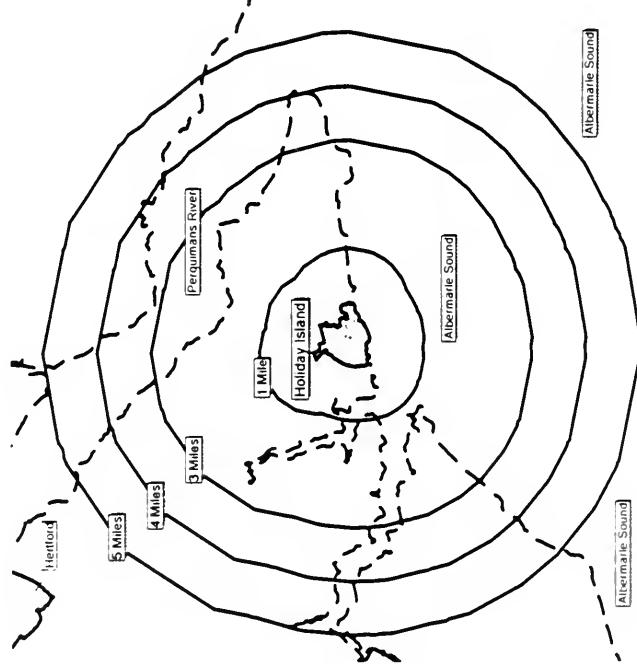
Legend

| | |
|--|---------------------|
| | Holiday Island Area |
| | City Limits |
| | County Boundary |

2.5 0 2.5 Miles



Map prepared 01/19/99



**Assessment of Petition
by
Holiday Island
(Perquimans County)
for
Incorporation**

**Relative to NC G.S. 120-167.
through NC G.S. 120-170.**

**North Carolina Department of Commerce
Division of Community Assistance**

Division of Community Assistance (DCA) staff has reviewed the petition for incorporating the Town of Holiday Island relative to NC G.S. 120-167 through G.S. 120-170. The following discussion addresses each of these sections of the General Statutes.

NC G.S. 120-167. Additional criteria; population.

NC G.S. 120-167 refers to population and requires that the permanent population must be at least 100. The petition did not indicate an estimated population although the petition's proposed budget referred to 200 residents. The Division of Community Assistance (DCA) performed a land use survey of the subject area. That survey identified 419 dwelling units in the subject area. The 1990 US Census Bureau data indicates an average of 2.63 persons per occupied dwelling and an occupancy rate of 93 percent. This suggests that 1,024 persons are likely to reside in those 419 dwellings. It appears that NC G.S. 120-167. is satisfied.

NC G.S. 120-168. Additional criteria; development.

NC G.S. 120-168. refers to development and requires that at least 40 percent of the area must be "developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenants.(1985 (Reg. Sess., 1986), c. 1003, s. 1.)".

DCA used a land use survey combined with an analysis of assessment value relative to lot size to determine the degree of development. The survey considered parcels as "developed" if they had land use characteristics that were residential, commercial, institutional or governmental, industrial, or dedicated open spaces. The assessment used a residential density minimum of 1 unit per 5 acres as developed for residential purposes.¹ Vacant parcels, forested parcels, or parcels where agricultural use was predominant were considered "undeveloped". For large tracts that were only partially occupied by for commercial, industrial, institutional, or governmental uses the estimated area occupied by those uses was considered as developed. DCA's analysis indicated that 41 percent of the subject area is developed (please refer to Table Exhibit 1 and Map A, Appendix A). It appears that NC G.S. 120-168. is satisfied.

¹ Reference NC G.S. 160A-41.(2)

Table Exhibit 1:
Development Relative to NC G.S. 120-168.

| Land Use | Acres |
|--------------------------------|--------------|
| Residential | 137 |
| Commercial | 3 |
| Institutional/Governmental | 8 |
| Undeveloped | 214 |
| Total | 362 |
| Total Acreage Developed | 148 |
| % Developed | 41% |

NC G.S. 120-169 Additional criteria: area unincorporated.

NC G.S. 120-169 requires that none of the area proposed for incorporation may be included within the boundary of another incorporated municipality. DCA compared the proposed boundary for the Town of Holiday Island with the most recently updated NC DOT geographic information system (GIS) data that was provided by NC CGIA and found no evidence that any of the subject area is part of any incorporated municipality. It appears that NC G.S. 120-169 is satisfied.

NC G.S. 120-170 Findings as to services.

NC G.S. 120-170 requires that the proposed municipality can provide, at a reasonable tax rate, the services requested by the petition and that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. To help quantify this requirement DCA considered the gross assessment value of the proposed municipality (less tax exempt properties) as its tax base. DCA compared the property tax rates and property tax revenues of ten municipalities that have a population size similar to that of the proposed Town of Holiday Island.

For fiscal year 1997-98 the average property tax rate and revenue for the comparison communities were \$0.45/\$100 assessment and \$137,424, respectively (see Table Exhibit 2). In order for the proposed Town of Holiday Island to generate similar revenues it would have to levy a property tax rate of \$0.63/\$100 assessment (assuming a total assessment of \$22,641,000 and a collection rate of 97 percent).

Table Exhibit 2:
Property Tax Rate and Revenues Comparison

| Municipality | Population | Tax Rate/\$100 FY1997-98 | Property Tax Revenue |
|-----------------------------------------------|------------|--------------------------|----------------------|
| Lake Waccamaw | 949 | 0.27 | 167,921 |
| Cooleerneee | 962 | 0.20 | 45,393 |
| Warrenton | 976 | 0.60 | 225,741 |
| Lucama | 983 | 0.45 | 119,166 |
| Vanceboro | 1,015 | 0.50 | 115,256 |
| Oakboro | 1,027 | 0.47 | 218,656 |
| Norlina | 1,047 | 0.53 | 98,129 |
| Broadway | 1,050 | 0.59 | 219,040 |
| Gaston | 1,050 | 0.58 | 109,924 |
| Kingstown | 1,053 | 0.35 | 55,009 |
| Average Tax Rate \$0.45/\$100 | | | |
| Average Property Tax Revenue \$137,424 | | | |

The petition indicated that the proposed town does plan to provide services that are similar to other municipalities of comparable population. Given the estimated assessment valuation the community could provide such services. However, it may have to set a property tax rate higher than each community listed in the table and significantly higher than the average tax rate for those communities. It appears that NC G.S. 120-170, might not be satisfied.

Conclusion

Based on the forgoing, it appears that the proposed Town of Holiday Island satisfies the North Carolina General Statutes 120-167 through 120-169. However, it appears that it might not satisfy North Carolina General Statute 120-170. Accordingly, if the Commission finds that NC G.S. 120-170 is not satisfied, the Commission on Municipal Incorporations may not make a positive recommendation on the incorporation of the proposed Town of Holiday Island.

Information sources:

Petition for Incorporation of the Town of Holiday Island

1990 US Census Summary Table 1A (referenced 03/02/1999)

<http://www.census.gov/cgi-bin/datamap/cnty?37=143>

Perquimans County Tax Assessors Office, Tax Maps and 1998 Assessment Data.

North Carolina League of Municipalities (referenced 03/01/1999)

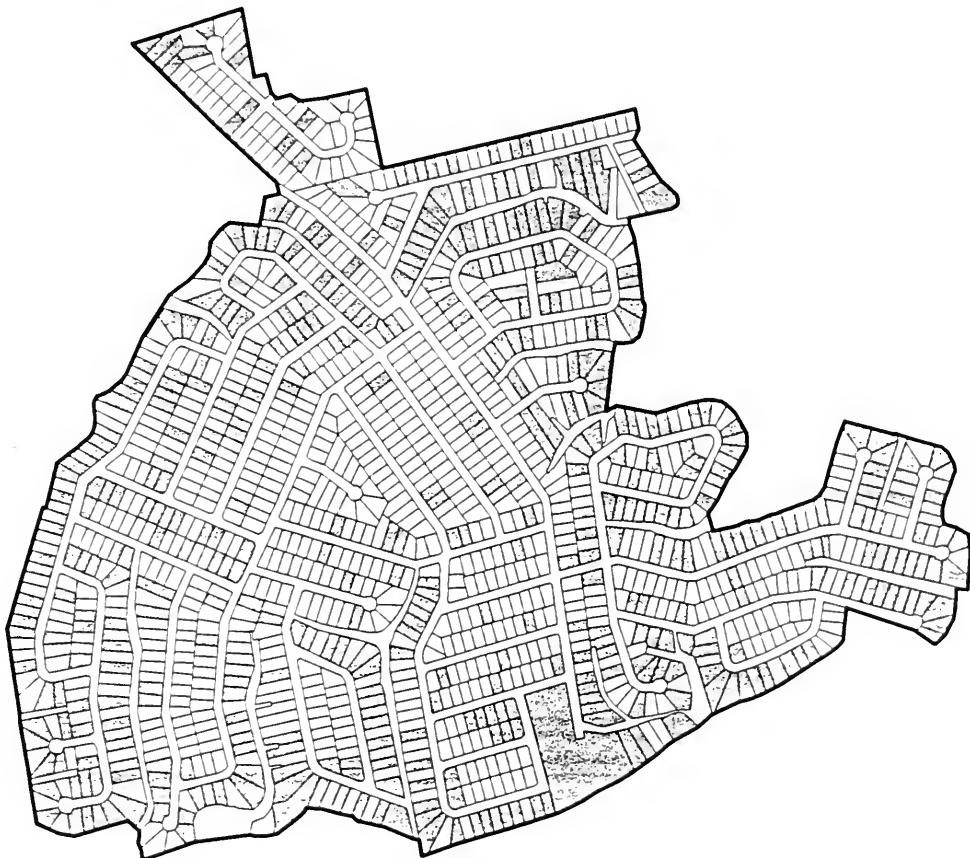
<http://ncinfo.igc.unc.edu/NCLM/General/Reports/reports.html>

North Carolina Office of State Treasurer (referenced 03/01/1999)

<http://www.treasurer.state.nc.us/frlgc.htmf>

NC DOT GIS Data Layers, Distributed by NC CGIA (1998)

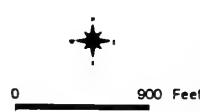
Map A
Appendix A



**Holiday Island Area
Municipal Incorporation
Phase II Study**

Legend

| | |
|--|---------------------|
| | Holiday Island Area |
| | Developed Land |
| | Undeveloped Land |



Map prepared 03/99

